

March 22, 2004

Ref: 394-22534

Honorable James H. Welsh
Commissioner of Conservation
Post Office Box 94275
Baton Rouge, LA 70804-4275

Re: Substitute Unit Well Application
Homeseekers E Sand, Reservoir C
Rayne Field
Acadia Parish, Louisiana
Applicant: Clayton Williams Energy, Inc.

Dear Mr. Commissioner:

Application is hereby made on behalf of Clayton Williams Energy, Inc. for the calling of a public hearing, after ten (10) days legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters regarding the Homeseekers E Sand, Reservoir C, Rayne Field, Acadia Parish, Louisiana, for which rules and regulations were established and a drilling and production unit was created by the Office of Conservation Order No. 307-AA, effective April 27, 1993.

1. To grant an exception to the spacing provisions of Office of Conservation Order No. 307-AA and Statewide Order No. 29-E and to permit applicant, Clayton Williams Energy, Inc. to drill, designate and utilize the Well as shown on the attached plat as a substitute unit well for the HMSKRS E RC SUA, to be at a location shown on the plat attached hereto and made a part hereof;
2. To designate Clayton Williams Energy, Inc. as the operator of the HMSKRS E RC SUA;
3. To find that, except to the extent contrary to the order granted by the Commissioner of Conservation in connection with the hearing held on this application, the provisions of Office of Conservation No. 307-AA, shall remain in full force and effect, and
4. To consider such other matters which may be pertinent to this application as shown by the evidence presented at the hearing held on this matter.

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1400 One American Place • Baton Rouge, Louisiana 70825-0004 • (225) 381-9643 • Fax (225) 336-9763
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Hon. James H. Welsh
March 22, 2004
Page 2-

The Homeseekers E Sand, Reservoir C in the Rayne Field, Acadia, Louisiana was previously defined in Office of Conservation Order No. 307-AA, effective April 27, 1993.

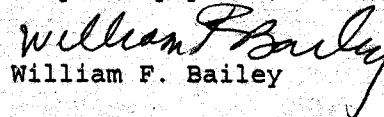
Attached hereto and made a part hereof is a plat outlining the HMSKRS E RC SUA, showing the location of the substitute unit well together with a list of the names and addresses of all interested owners, interested parties and represented parties who are known to the applicant after reasonable search. A reasonable effort was made to ascertain the names and addresses of all such parties.

A copy of the list of the names and addresses of the interested owners, interested parties and represented parties is not being mailed to those parties along with this hearing application. Should any of these parties desire a copy of this list, however, we will be glad to provide one upon request.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Bill Dale, of W. H. Robbins & Associates, Inc., 140 Rue Beauregard, Suite 100, Lafayette, La 70508 (337) 232-5004.

Finally, there is enclosed our check on behalf of the applicant in the amount of \$755.00, made payable to the Office of Conservation, which represents the required hearing application fee.

Very truly yours,

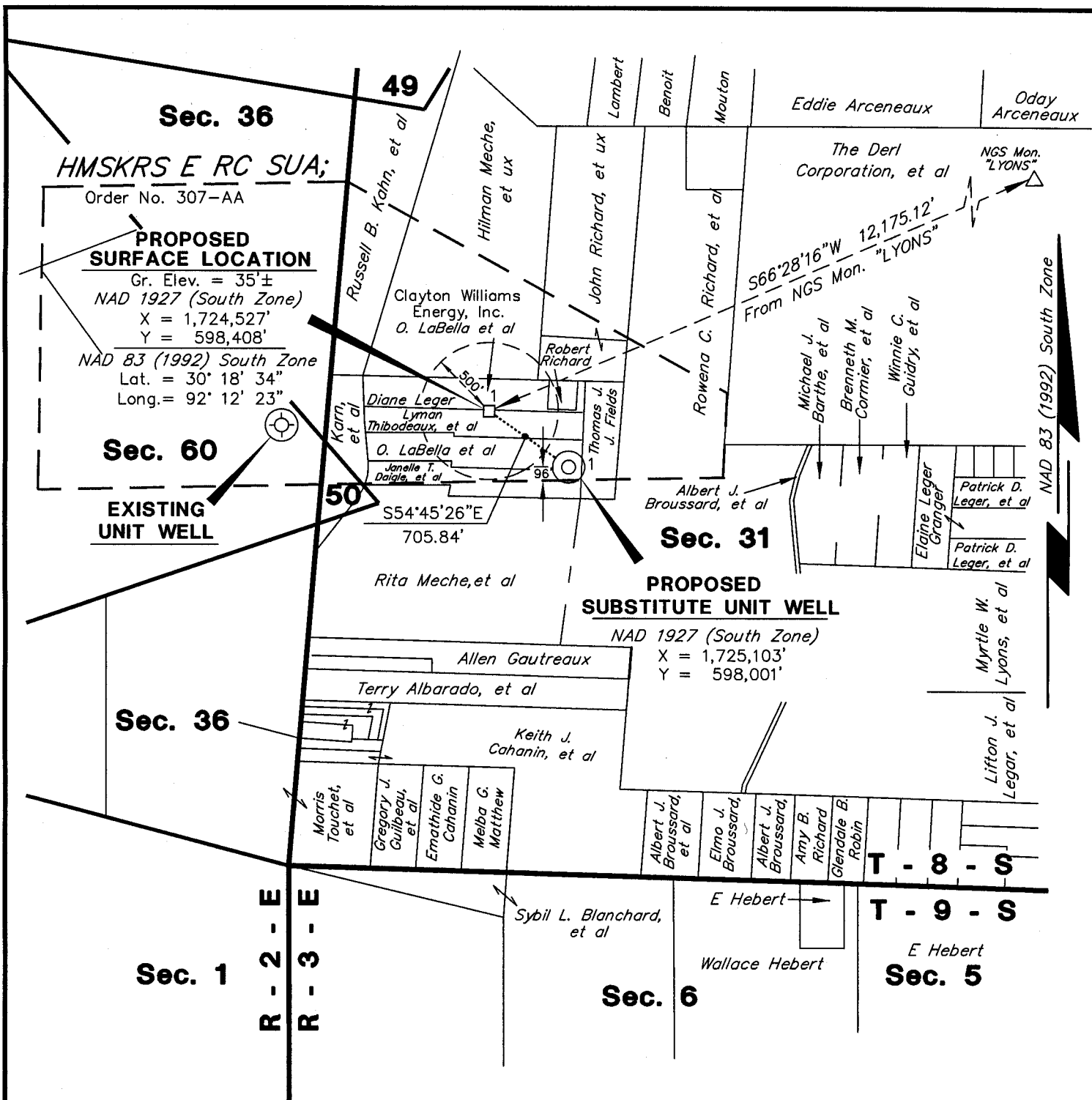

William F. Bailey

WFB:ht

Enclosures

cc: Mr. Richard Hudson
District Manager

Interested Parties, Interested Owners
and Represented Parties on attached list



I, John V. Soileau, hereby certify that the surf. loc'n of Clayton Williams Energy, Inc.'s *HMSK E RC SUA*; *O. LaBella et al No. 1* is as follows: S66°28'16"W 12,175.12' from NGS Mon. "LYONS", falling in Section 31, T 8 S - R 3 E, Acadia Parish, Louisiana.

REGISTERED LAND SURVEYOR NO. 4462
 STATE OF LOUISIANA
 C. L. JACK STELLY & ASSOCIATES, INC.
 FILE NO. 19707-L2-R1.DWG

EXHIBIT NO.
 DOCKET NO.

DATE:

CLAYTON WILLIAMS ENERGY, INC.

RAYNE FIELD
 ACADIA PARISH, LOUISIANA
 PROPOSED SUBSTITUTE UNIT WELL
 HOMESEEKERS E SAND

0 1000' 2000'

GRAPHICS BY: GEOLAND GRAPHICS, LLC LAFAYETTE, LA (337) 233-1887



W. H. ROBBINS & ASSOCIATES
 CONSULTING GEOLOGISTS
 Lafayette, Louisiana (337) 232-5004